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2 U.S. = *so* UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
Washington 25, D. C.

May 2, 1951

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ELECTRIC LOAN PROCEDURE MEMORANDUM NO. 1

TO : All Holders, Section 4 Procedures Manual

FROM : Arthur W. Gerth, Chief, Applications and Loans Division

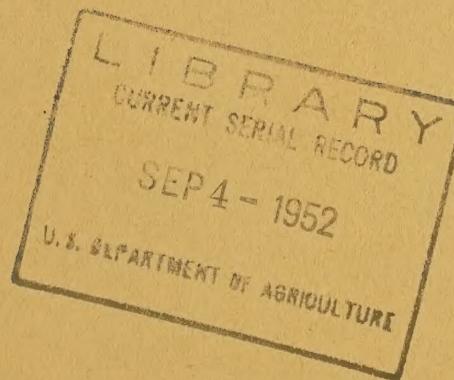
SUBJECT: Numbered Procedures Memoranda

To supplement the manual for preparing Section 4 Loan Recommendations, a series of numbered procedure memoranda will be issued to disseminate any revisions or additions to existing procedures.

The procedure memoranda will be incorporated into the manual periodically, as conditions permit. However, the numbering system will allow all holders of the manual to be certain that they have a complete file of all procedure changes that are published in the meantime.

In so far as possible, the memoranda will be keyed by reference to a step number and page number in the manual to allow for cross reference.

*Gerth*





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UNITED STATES DEPARTMENT OF AGRICULTURE  
✓ Rural Electrification Administration  
Washington 25, D. C.

Reference  
Step 2 page 4  
Procedure Manual

May 2, 1951

✓ ELECTRIC LOANS PROCEDURE MEMORANDUM NO. 2

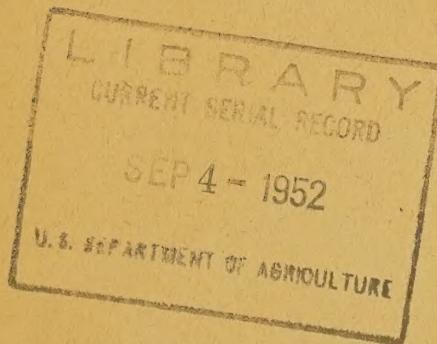
TO : All Holders, Section 4 Procedures Manual

FROM : Arthur W. Gerth, Chief, Applications and Loans Division

SUBJECT: Requests for Supporting Data from Management Division

In order that all Regional Offices may follow a standard procedure, and also have a record of requests to the Management Division for Forms CO 133 and CO 134, effective immediately, please use revised Form AL-78-R2 (copy attached). Send the signed copy and dated original to the Regional Office, Management Division, and retain a copy in your files for each request.

*Allen*





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UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
Washington 25, D.C.

May 17, 1951

Reference  
Step 5, page 12  
Procedures Manual

ELECTRIC LOAN PROCEDURE MEMORANDUM NO. 3

TO : All Holders, Section 4 Procedures Manual  
FROM : Arthur W. Gerth, Chief, Applications and Loans Division  
SUBJECT: Form AL-51B - Estimating Operation and Maintenance Expenses  
for Headquarters Facilities.

The established standards for estimating operation and maintenance expenses provide for the rental of Headquarters Facilities.

However, if the borrower owns Headquarters Facilities, or if a loan recommendation is made for Headquarters Facilities, the operation and maintenance expenses should be estimated as follows:

1. The ratios now in use shall apply to the estimated cost of electric plant excluding total investment for Headquarters Facilities.
2. 1% of the total Headquarters investment shall be used for maintenance and 1% shall be used for replacement.

It is considered that 1% for maintenance is adequate for both maintenance and operation of Headquarters Facilities.

In the interest of uniformity it is requested that all regions show estimates on Form AL-51B as follows:

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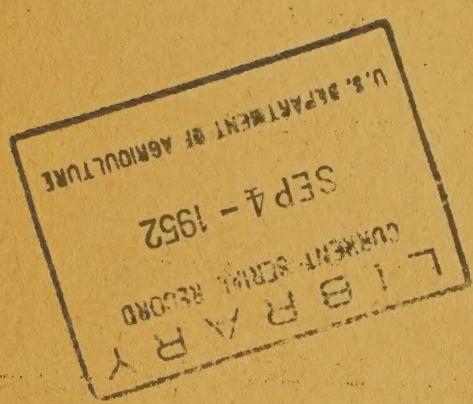
(Form AL-51B)

		1% of	Est. Electric Plant
(4) Operations	1% of	<u>100,000 (Bldg)</u> and	" " "
(5) Maintenance	1% of	<u>100,000 (Bldg)</u> and	" " "
(6) Replacement	1% of	<u>100,000 (Bldg)</u> and	" " "
(7) General Adm.	2% of		

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It is suggested that this memorandum be filed immediately preceding page 1 of the Section 4 Procedures Manual and that a note, "See Memo No. 3," be made on page 12 of the manual.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
✓ Rural Electrification Administration  
Washington 25, D. C.

November 21, 1951

Reference  
Step 6, page 15  
Procedures Manual

✓ ELECTRIC LOAN PROCEDURE MEMORANDUM NO. 4

TO : All Holders, Section 4 Procedures Manual  
FROM : Richard A. Dell, Chief, Applications and Loans Division  
SUBJECT: Applications for Member Service Extension Type Loans

Pursuant to the responsibility placed upon the A&L Division by the terms of Administrative Bulletin No. 59, (LPCD) dated May 30, 1950, relative to determining whether unusual circumstances are such as to require the submission of Maps and Tabulations along with board resolution requesting Member Service Extension Loans, it is deemed proper to give favorable consideration to this type of loan application without inclusion of Maps and Tabulations nor requiring advance sign-up, provided it is found the applicant meets with the following conditions:

1. A clear concise statement by the borrower outlining its needs and explaining reasons for not being able to secure advance sign-up.
2. An Area Coverage map or fieldman's investigation discloses that the borrower has made reasonable effort to give Area Coverage over the entire area within its optimum boundaries.

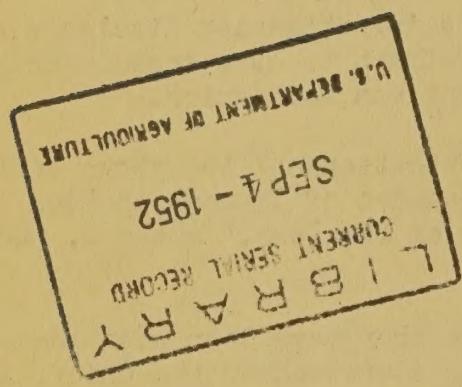
In setting forth the results of your investigations of the above conditions the results should be embodied in the memorandum of "Recommendation to the Administrator," under the heading "Details of New Loan," (Step 6, page 15) of your Procedure Manual.

All sections are notified that in the event they have loan recommendations of this type under "LR," a separate memorandum addressed to the Chief, A&L Division, may be used for this information. However, in the future all loan recommendations of this type should be in accordance with the above instructions.

It is not intended that this information shall be submitted directly to borrowers. We do feel, however, that fieldmen will find it an inducement to borrowers to make complete Area Coverage survey and loan application, thus benefiting from this procedure in the submission of subsequent loan applications by reducing the requirements to a simple board resolution.

The above changes will be embodied in your Procedure Manual in the near future.

*Richard A. Dell*



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UNITED STATES DEPARTMENT OF AGRICULTURE  
✓ Rural Electrification Administration  
Washington 25, D. C.

December 11, 1951

Reference  
Step 2, Page 3, 4  
Procedures Manual

✓ ELECTRIC LOAN PROCEDURE MEMORANDUM NO. 5

To : All Holders, Section 4 Procedures Manual  
From : Richard A. Dell, Chief, Applications  
and Loans Division  
Subject: Revised Procedure for Requesting KWH Certification Statements  
From the Program Analyst's Office

Effective immediately, the following revised procedures shall be strictly adhered to by all employees of this division responsible for requesting KWH certification statements from the Program Analyst:

1. When preparing Form AL-41 - Project Report Request, (see page 3 of your Section 4 Procedure Manual) do not insert "Consumption Estimates being used in this application for Farm and Non-Farm", on line 4, at the time this form is initially prepared. These figures will now be furnished to you by the Program Analyst.
2. Under "REMARKS", (page 4 of your Procedure Manual) items a, b, c, and d, are eliminated. Insert instead, the average KWH consumption figures for (a) Farm, (b) Non-Farm, and (c) Town, (when applicable) for the most recent 12-month period, which is obtained from the borrowers operating reports, Form ADM-29C, Section E. These figures should be broken down separately and should reflect the averages for each classification.

As an example, in obtaining the average KWH consumption for Farm classification, run a total of the farm "Consumers Billed" for the most recent 12-month period. Then run a total for "KWH Sold" for the same 12-month period. Divide the total of "Consumers Billed" into the total of "KWH Sold", which gives you the monthly average KWH per farm consumer. This same procedure is repeated for obtaining the non-farm and town or residential (if any) average KWH for these classifications.

3. Insert all other data on this form as required, including item 2 listed above under "REMARKS". Send the last copy of this form to Program Analyst. When they return their KWH certification Statement to you, have these figures inserted on Line 4 of Form AL-41. Then dispatch remaining copies to other sources as required in your Procedure Manual.

Richard A. Dell

